

Product Alert

May 26, 2016

Portfolio management changes for the Fundamental Growth Equity team

Thomas Pence, CFA, has announced his intention to retire from institutional investment management and from Wells Capital Management, Inc., by September 30, 2016. Effective immediately, Michael Smith, CFA, becomes the managing director of the Fundamental Growth Equity team and Chris Warner, CFA, assumes additional portfolio management responsibilities. Mr. Smith first began working with Mr. Pence in 1999 and has been co-leader of this team since 2012.

Mr. Smith's promotion to lead portfolio manager on all strategies has been an anticipated outcome of his longstanding collaboration with Mr. Pence and his experience leading this team. During this transition period, Mr. Pence will continue to serve as portfolio manager through August 31, 2016. After August 31, he will serve as an advisor to the team until his retirement by September 30, 2016.

Mr. Pence has led the Fundamental Growth Equity team since 1991, building a robust team of portfolio managers and equity research analysts. The team believes they will have ample time before Mr. Pence's retirement to work toward a smooth transition of the affected portfolios.

Portfolios managed by the Fundamental Growth Equity team

	Managers before 5-26-16	Managers as of 5-26-16	Managers after 8-31-16
Wells Fargo mutual funds			
Wells Fargo Capital Growth Fund	Thomas Pence, CFA Michael Smith, CFA	Thomas Pence, CFA Michael Smith, CFA Chris Warner, CFA	Michael Smith, CFA Chris Warner, CFA
Wells Fargo Discovery Fund	Thomas Pence, CFA Michael Smith, CFA Chris Warner, CFA	Thomas Pence, CFA Michael Smith, CFA Chris Warner, CFA	Michael Smith, CFA Chris Warner, CFA
Wells Fargo Endeavor Select Fund	Thomas Pence, CFA Michael Smith, CFA	Thomas Pence, CFA Michael Smith, CFA Chris Warner, CFA	Michael Smith, CFA Chris Warner, CFA
Wells Fargo Enterprise Fund	Thomas Pence, CFA Michael Smith, CFA Chris Warner, CFA	Thomas Pence, CFA Michael Smith, CFA Chris Warner, CFA	Michael Smith, CFA Chris Warner, CFA
Wells Fargo Omega Growth Fund	Thomas Pence, CFA Michael Smith, CFA	Thomas Pence, CFA Michael Smith, CFA Chris Warner, CFA	Michael Smith, CFA Chris Warner, CFA
Wells Fargo managed accounts			
Wells Fargo Fundamental All Cap Growth Equity	Thomas Pence, CFA Michael Smith, CFA Chris Warner, CFA Ozo Jaculewicz, CFA	Thomas Pence, CFA Michael Smith, CFA Chris Warner, CFA Ozo Jaculewicz, CFA	Michael Smith, CFA Chris Warner, CFA Ozo Jaculewicz, CFA

	Managers before 5-26-16	Managers as of 5-26-16	Managers after 8-31-16
Wells Fargo Fundamental Large Cap Select Growth Equity	Thomas Pence, CFA Michael Smith, CFA Chris Warner, CFA Ozo Jaculewicz, CFA	Thomas Pence, CFA Michael Smith, CFA Chris Warner, CFA Ozo Jaculewicz, CFA	Michael Smith, CFA Chris Warner, CFA Ozo Jaculewicz, CFA
Wells Fargo Fundamental Mid Cap Growth Equity	Thomas Pence, CFA Michael Smith, CFA Chris Warner, CFA Ozo Jaculewicz, CFA	Thomas Pence, CFA Michael Smith, CFA Chris Warner, CFA Ozo Jaculewicz, CFA	Michael Smith, CFA Chris Warner, CFA Ozo Jaculewicz, CFA
Wells Fargo Fundamental SMID Cap Growth Equity	Thomas Pence, CFA Michael Smith, CFA Chris Warner, CFA Ozo Jaculewicz, CFA	Thomas Pence, CFA Michael Smith, CFA Chris Warner, CFA Ozo Jaculewicz, CFA	Michael Smith, CFA Chris Warner, CFA Ozo Jaculewicz, CFA
Wells Fargo U.S. Equity All Cap	Thomas Pence, CFA Margaret Patel Bryant VanCronkhite, CFA	Thomas Pence, CFA Margaret Patel Bryant VanCronkhite, CFA	Margaret Patel Bryant VanCronkhite, CFA Michael Smith, CFA
Wells Fargo variable trust funds			
Wells Fargo VT Discovery Fund	Thomas Pence, CFA Michael Smith, CFA Chris Warner, CFA	Thomas Pence, CFA Michael Smith, CFA Chris Warner, CFA	Michael Smith, CFA Chris Warner, CFA
Wells Fargo VT Omega Growth Fund	Thomas Pence, CFA Michael Smith, CFA	Thomas Pence, CFA Michael Smith, CFA Chris Warner, CFA	Michael Smith, CFA Chris Warner, CFA

Please refer to the following questions and answers for more information.

Q: Are any changes expected to the management styles or holdings of the affected portfolios?

A: No, all portfolios will be managed using the same investment philosophy and investment process that has served the team well during the past two decades. The team will continue to emphasize using a surround-the-company approach; developing a research edge; and constructing portfolios with a balance of core holdings, developing situations, and valuation opportunities.

Q: What can you tell me about Michael Smith?

A: Michael Smith, CFA, has 19 years of investment experience and has served as a portfolio manager for the Fundamental Growth Equity team at Wells Capital Management since 2006. He has worked with Mr. Pence for his entire investment career. He came to Wells Fargo from Strong Capital Management, having joined Mr. Pence's team at Strong in 2000. Prior to that, he was on Mr. Pence's team at Conseco Capital Management. Prior to joining Conseco in 1999, Mr. Smith attended DePauw University, where he earned a bachelor's degree in economics.

Q: Which funds does Michael Smith manage?

A: As shown in the table above, Mr. Smith is already a portfolio manager for all portfolios managed by Mr. Pence except one. He has been added as portfolio manager for the Wells Fargo U.S. Equity All Cap Managed Account, specifically the fundamental all-cap growth sleeve of the portfolio.

Q: What can you tell me about Chris Warner?

A: Chris Warner, CFA, has 14 years of investment experience and serves as a portfolio manager for the Fundamental Growth Equity team at Wells Capital Management. Prior to joining Wells Fargo in 2007, Mr. Warner worked as an equity research associate at Citigroup in San Francisco following the enterprise software, systems management, and data-storage industries. He began his investment industry career in 2002 and previously worked as an equity analyst at Morningstar and PPM America, Inc. Mr. Warner's related professional experience includes technology-consulting positions at Evolve Software and PricewaterhouseCoopers LLP. He earned a bachelor's degree in business administration from the University of Illinois, Champaign, and a master's degree in business administration with an emphasis in finance and corporate strategy from the Ross School of Business at the University of Michigan, Ann Arbor.

Q: Which funds does Chris Warner manage?

A: As shown in the table above, Mr. Warner is already a portfolio manager for many of the portfolios managed by Mr. Smith and Mr. Pence. He is now added as a portfolio manager for:

- Wells Fargo Capital Growth Fund
- Wells Fargo Endeavor Select Fund
- Wells Fargo Omega Growth Fund
- Wells Fargo VT Omega Growth Fund

Q: What can you tell me about the Fundamental Growth Equity team?

A: The Fundamental Growth Equity team at Wells Capital Management has 19 team members and managed more than \$11 billion in assets as of March 31, 2016. The team manages six growth equity products, including mutual funds and separately managed accounts, across a range of market capitalizations. The team's research analysts have an average of 10 years of industry experience and 5 years of tenure with the team. After Mr. Pence's retirement, the team will continue to execute on the same investment philosophy and process that has served clients well.

Q: Will the team consolidate any portfolios?

A: At this time, there are no plans to consolidate any portfolios or products.

Q: Will the team hire a replacement for Thomas Pence?

A: There are no immediate plans to hire a portfolio manager to replace Mr. Pence. This evolution of the team to continue Mr. Pence's legacy has been expected, and the firm is comfortable with the team's capacity and ability to manage all strategies going forward, using existing talent developed under Mr. Smith's and Mr. Pence's leadership.

Q: Where is Thomas Pence going?

A: After his retirement from Wells Fargo, Mr. Pence intends to pursue opportunities outside of the institutional investment industry. He is excited about a new challenge, and we wish him the best.

Stock values fluctuate in response to the activities of individual companies and general market and economic conditions. Bond values fluctuate in response to the financial condition of individual issuers, general market and economic conditions, and changes in interest rates. Changes in market conditions and government policies may lead to periods of heightened volatility in the bond market and reduced liquidity for certain bonds held by the fund. In general, when interest rates rise, bond values fall and investors may lose principal value. Interest-rate changes and their impact on the fund and its share price can be sudden and unpredictable. Some funds, including nondiversified funds and funds investing in foreign investments, high-yield bonds, small- and mid-cap stocks,

and/or more volatile segments of the economy, entail additional risk and may not be appropriate for all investors. Consult a fund's prospectus for additional information on these and other risks.

Carefully consider a fund's investment objectives, risks, charges, and expenses before investing. For a current prospectus and, if available, a summary prospectus, containing this and other information, visit wellsfargofunds.com. Read it carefully before investing.

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